

OPEN MEETING ITEM

COMMISSIONERS
MIKE GLEASON - Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE



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ARIZONA CORPORATION COMMISSION

22

DATE: APRIL 22, 2008

DOCKET NOS: W-02450A-06-0626 and SW-20422A-06-0566

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Yvette Kinsey. The recommendation has been filed in the form of an Opinion and Order on:

WATER UTILITY OF GREATER TONOPAH, INC. and
HASSAYAMPA UTILITY COMPANY, INC.
(CC&N EXTENSION)

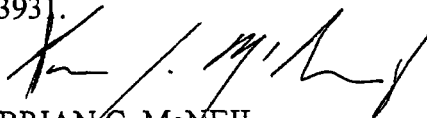
Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and ten (10) copies of the exceptions with the Commission's Docket Control at the address listed below by 4:00 p.m. on or before:

MAY 1, 2008

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Working Session and Open Meeting to be held on:

MAY 6, 2008 and MAY 7, 2008

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Secretary's Office at (602) 542-3931.


BRIAN C. McNEIL
EXECUTIVE DIRECTOR

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1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 MIKE GLEASON - Chairman
4 WILLIAM A. MUNDELL
5 JEFF HATCH-MILLER
6 KRISTIN K. MAYES
7 GARY PIERCE

8 IN THE MATTER OF THE APPLICATION OF
9 WATER UTILITY OF GREATER TONOPAH,
10 INC., FOR APPROVAL OF AN EXTENSION OF
11 ITS CERTIFICATE OF CONVENIENCE AND
12 NECESSITY TO PROVIDE WATER UTILITY
13 SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. W-02450A-06-0626

14 IN THE MATTER OF THE APPLICATION OF
15 HASSAYAMPA UTILITY COMPANY, INC.,
16 FOR APPROVAL OF AN EXTENSION OF ITS
17 CERTIFICATE OF CONVENIENCE AND
18 NECESSITY TO PROVIDE WASTEWATER
19 UTILITY SERVICE IN MARICOPA COUNTY,
20 ARIZONA.

DOCKET NO. SW-20422A-06-0566

DECISION NO. _____

OPINION AND ORDER

21 DATES OF HEARING:

November 1, 2007 (Public Comments)
December 17, 2007 (Evidentiary Hearing)

22 PLACE OF HEARING:

Phoenix, Arizona

23 ADMINISTRATIVE LAW JUDGE:

Yvette B. Kinsey

24 APPEARANCES:

Messrs. Timothy J. Sabo and Michael W. Patten,
Roshka DeWulf & Patten, PLC, on behalf of Water
Utility of Greater Tonopah, Inc., and Hassayampa
Utility Company, Inc.;

Mr. Todd C. Wiley, Fennemore Craig, on behalf of
intervenor, Belmont Group; and

Ms. Robin Mitchell, Staff Attorney, Legal Division, on
behalf of the Utilities Division of the Arizona
Corporation Commission.

25 **BY THE COMMISSION:**

26 On September 7, 2006, Hassayampa Utility Company, Inc., ("Hassayampa" or "Applicant"),
27 filed with the Arizona Corporation Commission ("Commission") an application (Docket No. SW-
28 20422A-06-0566) for an extension of its Certificate of Convenience and Necessity ("Certificate" or

1 "CC&N") to provide public wastewater utility service in various parts of Maricopa County, Arizona.

2 On September 29, 2006, Water Utility of Greater Tonopah, Inc., ("WUGT" or "Applicant")
3 filed with the Commission an application (Docket No. W-02450A-06-0626) for an extension of its
4 Certificate to include an additional 22,217 acres in its existing Certificated area in Maricopa County,
5 Arizona.

6 On October 6, 2006, Staff filed a Notice of Insufficiency in the Hassayampa docket.

7 On October 26, 2006, Staff filed a Notice of Insufficiency in the WUGT docket.

8 On December 5, 2006, Hassayampa filed its Response to Staff's Notice of Insufficiency.

9 On December 13, 2006, WUGT filed a revised legal description and maps for the proposed
10 requested extension area.

11 On December 20, 2006, Hassayampa filed a revised legal description and maps for the
12 proposed requested extension area.

13 On December 26, 2006, WUGT filed its Response to Staff's Insufficiency Letter.

14 On January 3, 2007, Staff issued a Letter of Administrative Completeness in the Hassayampa
15 docket.

16 On January 9, 2007, by Procedural Order, a procedural conference was scheduled in the
17 Hassayampa docket for January 18, 2007.

18 On January 17, 2007, Staff filed its Second Notice of Insufficiency in the WUGT docket.

19 On January 18, 2007, a Procedural Conference was held as scheduled in the Hassayampa
20 docket. Hassayampa and Staff appeared through counsel for the Procedural Conference and
21 discussions were held relating to the possible consolidation of the Hassayampa docket and WUGT
22 docket.

23 On January 19, 2007, by Procedural Order, the timeframe in the Hassayampa docket was
24 suspended pending the issuance of a notice of sufficiency in the WUGT docket and a determination
25 whether the two dockets should be consolidated.

26 On February 2, 2007, WUGT filed its Response to Staff's Second Notice of Insufficiency.

27 On March 2, 2007, Staff filed its Third Notice of Insufficiency in the WUGT docket.

28 On May 1, 2007, WUGT filed its Response to Staff's Third Notice of Insufficiency.

On May 18, 2007, WUGT filed a compliance status report from Maricopa County Environmental Services Department ("MCESD") for its public water systems.

On June 12, 2007, WUGT filed storage calculations for its Dixie System.

On June 18, 2007, Staff filed a Sufficiency Letter in the WUGT docket, indicating that WUGT's application had met the sufficiency requirements as outlined in the Arizona Administrative Code ("A.A.C.").

On June 27, 2007, by Procedural Order, the hearing in the WUGT docket was scheduled to commence on August 28, 2007.

On July 5, 2007, Staff filed a Motion to Consolidate the above captioned matters (Docket No. W-02450A-06-0626 and Docket No. SW-20422A-06-0566) stating the issues in these matters are substantially related and no parties' rights will be prejudiced by consolidation. Staff further requested that the hearing set for August 28, 2007 in the WUGT docket be reset because Staff's witness was unavailable for that date.

On July 9, 2007, WUGT provided Notice that it had provided copies of its Water Master Plan to Staff.

On July 23, 2007, Staff filed its Staff Report for WUGT, recommending approval of the application with conditions.

On August 1, 2007, Belmont LKY 200K Limited Partnership L.L.L.P., an Arizona limited liability limited partnership; SMT Investors Limited Partnership, an Arizona limited partnership; Cardon Family, L.L.C., an Arizona limited liability company; Far Marel, L.L.C., an Arizona limited liability company; Mt. Olympus Investments, L.L.C., an Arizona limited liability company; Neal Management, L.L.C., an Arizona limited liability company; Michael T. Cowley, as Trustee of the ANC Irrevocable Trust dated October 18, 2004; Ben Fatto Limited Partnership, an Arizona limited partnership; Boa Sorte Limited Partnership, an Arizona limited partnership; Viel Gluck Limited Partnership, an Arizona limited liability partnership; and Goodwin Consultant, L.L.C., an Arizona limited liability company (collectively, "Belmont") filed a Motion to Intervene.

On August 6, 2007, WUGT filed its Response to Staff's Report.

On August 8, 2007, by Procedural Order, Docket No. W-02450A-06-0626 and Docket No.

1 SW-20422A-06-0566 were consolidated and a procedural conference was set for August 23, 2007.

2 On August 22, 2007, by Procedural Order, the hearing on the consolidated dockets was reset
3 to commence on September 26, 2007, and Belmont's Motion to Intervene was granted.

4 On August 23, 2007, a Procedural Conference was held as scheduled, and Staff, WUGT,
5 Hassayampa and intervenor Belmont appeared through counsel at the procedural conference to
6 discuss additional procedural matters related to the consolidated dockets.

7 On August 28, 2007, a telephonic conference was held with the parties and Staff stated that its
8 witness was unavailable for the September 26, 2007, hearing date and requested that the date for the
9 hearing be reset.

10 On September 5, 2007, by Procedural Order, the hearing was rescheduled to begin on
11 November 1, 2007.

12 On September 19, 2007, WUGT and Hassayampa docketed a Notice of Publication and
13 mailing.

14 On September 28, 2007, Staff filed its Staff Report recommending approval of Hassayampa's
15 application for an extension of its CC&N.

16 On October 12, 2007, WUGT and Hassayampa filed their Response to Staff's Report on
17 Hassayampa.

18 On October 26, 2007, WUGT and Hassayampa filed a Notice of filing Franchise approval
19 documents for both utilities.

20 On October 31, 2007, by telephonic conference, Staff requested the hearing be continued.
21 There was no opposition to Staff's request. However, because notice of the hearing date and time
22 have been published, the November 1, 2007 hearing date was reserved for the purpose of taking
23 public comments.

24 On November 1, 2007, the hearing was commenced for public comments and the evidentiary
25 portion of the hearing was continued. No members of the public appeared at the hearing to give
26 public comment.

27 On November 11, 2007, WUGT and Hassayampa filed a Notice of Revised Engineering
28 Memorandum.

1 On November 14, 2007, by Procedural Order, Staff's request for a continuance was granted
2 and the hearing in this matter was reset for December 17, 2007. The Procedural Order also directed
3 Staff to file a Supplemental Staff Report by December 10, 2007, relating to WUGT's and
4 Hassayampa's Revised Engineering Memorandum.

5 On November 15, 2007, WUGT and Hassayampa filed a Further Revised Engineering
6 Memorandum.

7 On November 27, 2007, WUGT and Hassayampa filed a Revised Response to Staff Report,
8 which withdrew the utilities' revised and further revised engineering memorandums.

9 On December 10, 2007, Staff filed a Supplemental Staff Report as required by Procedural
10 Order dated November 14, 2007.

11 On December 17, 2007, a full public hearing was held before a duly authorized
12 Administrative Law Judge of the Commission at its offices in Phoenix, Arizona. Applicants,
13 intervenor Belmont and Staff appeared through counsel and presented evidence and testimony.
14 Several members of the public appeared and gave public comment on the applications. At the
15 conclusion of the hearing, the parties were directed to file Late-Filed Exhibits related to the testimony
16 and evidence presented at the hearing.

17 On December 26, 2007, WUGT and Hassayampa filed ADEQ documentation certifying the
18 Clean Water Act 208 Water Quality Management Plan Amendment for the service area is consistent
19 with both the requirements set by the State of Arizona and Maricopa County.

20 On January 10, 2008, Staff filed a clarification regarding the Arizona Department of
21 Environmental Quality ("ADEQ") Approval to Construct process. Staff also provided a revised
22 engineering report.

23 After receipt of the Late-Filed Exhibits, the matter was taken under advisement pending
24 submission of a Recommended Opinion and Order to the Commission.

25 * * * * *

26 Having considered the entire record herein and being fully advised in the premises, the
27 Commission finds, concludes, and orders that:

FINDINGS OF FACT

1. WUGT and Hassayampa are Arizona Corporations in good standing with the Commission's Corporation Division.

2. WUGT is authorized to provide water utility services near the Town of Tonopah and currently serves approximately 350 customers.¹

3. WUGT's service area encompasses various locations between 331st Avenue and 555th Avenue and between Elliot Road and Glendale Avenue.

4. WUGT is one of five utilities owned by West Maricopa Combine, Inc.²

5. Hassayampa's and WUGT's ultimate parent company is Global Water Resources, LLC ("Global").³

6. Hassayampa is authorized to provide wastewater utility services within the Hassayampa Ranch development in Maricopa County.

7. On September 18, 2006, Hassayampa filed an application with the Commission to extend its wastewater CC&N to add approximately 24,350 acres to its existing 2,050 acres.

8. On September 29, 2006, WUGT filed an application with the Commission to extend its water CC&N to add an additional 22,217 acres to its existing CC&N in Maricopa County.

9. On August 1, 2007, Belmont filed a Motion to Intervene, stating it owns 20,000 acres in the proposed extension area for WUGT.

10. On August 22, 2007, by Procedural Order, the two dockets were consolidated and Belmont's Motion to Intervene was granted.

11. WUGT and Hassayampa provided notice in accordance with the law.

12. WUGT has received requests for water service from each of the six land owners in its proposed extension area. (Application, Pg. 2)

13. Hassayampa has received requests for wastewater service from each of the five land owners in its proposed extension area. (Application, Pg. 2)

¹ Recommended Opinion and Order Finding of Fact 3, Docket No. W-02450A-07-0290 (Decision No. pending).

² West Maricopa Combine, Inc., also owns Valencia Water Company, Inc., Willow Valley Water Company, Water Utility of Greater Buckeye, Inc., and Water Utility of Northern Scottsdale, Inc.

³ Global Water Resources currently serves approximately 38,500 customers primarily in Pinal County and Western Maricopa County. (Tr. Pg. 38, lines 16-23)

1 14. WUGT's requested extension area is located in the vicinity of 95th Avenue and
2 Camelback Road and is to be comprised of six developments known as Belmont, Copperleaf, Silver
3 Water Ranch, Silver Springs Ranch, the 339th Avenue Project and Desert Whisper. The proposed
4 extension area is more fully described in Exhibit A, attached hereto and incorporated herein by
5 reference. The extension area is expected to contain approximately 88,000 dwelling units, with a
6 projected total customer base of over 103,000 at build out.

7 15. WUGT's requested extension area is adjacent to or in the vicinity of WUGT's existing
8 service area and will add an additional 22,217 acres to the existing 39,000 acres located in WUGT's
9 current CC&N.

10 16. Hassayampa's application seeks to include in its CC&N, five of the developments in
11 WUGT's requested extension area, namely: Belmont, Copperleaf, Silver Spring Ranch, Silver Water
12 Ranch and 339th Avenue Project. Hassayampa's proposed extension area is more fully described in
13 Exhibit B, attached hereto and incorporated herein by reference. Hassayampa's requested area is
14 expected to contain approximately 96,300 dwelling units, with a projected total customer base of over
15 103,015 at build out.

16 17. Hassayampa's requested extension area is immediately adjacent to its existing CC&N
17 service area.

18 18. A few days before this matter was set for hearing, Hassayampa informed Staff that it
19 was changing its service plan for the requested extension area and would be filing a revised
20 engineering memorandum to replace its original September 5, 2006 engineering memorandum.

21 19. On November 5, 2007, Hassayampa filed a revised engineering memorandum and on
22 November 15, 2007, filed a correction to the revised engineering memorandum.

23 20. As a result of Hassayampa's revised engineering plan, a Procedural Order was issued
24 and Staff was directed to file a Supplemental Staff Report on or before December 10, 2007.

25 21. On November 27, 2007, Hassayampa and WUGT filed a revised response to the
26 Hassayampa Staff Report, stating that it was going back to its original engineering plan and that it
27 intended to seek approval for the Campus No. 1 Water Reclamation Facility ("WRF") as stated in its
28 original application. The Revised Response also withdrew Hassayampa's request to modify Staff's

1 conditions and said Hassayampa was in agreement with Staff's recommendations.

2 22. Subsequently, Staff filed its Supplemental Staff Report stating that if it had not filed
3 its Staff Report regarding the Hassayampa application, Staff would change its recommendation to an
4 Order Preliminary due to the "indecisiveness of Hassayampa's plans regarding which facilities would
5 come on line first." Staff's further stated that because Hassayampa was no longer objecting to any of
6 Staff's conditions, Staff was continuing to recommend approval of the application.

7 23. Staff recommends approval of WUGT's and Hassayampa's applications for an
8 extension of their respective CC&Ns to provide water and wastewater utility services, respectively, in
9 the proposed extension areas, subject to the following conditions:

10
11 1. That WUGT file with Docket Control, as a compliance item in this
12 docket, a copy of the Arizona Department of Water Resource's ("ADWR")
13 Designation of Assured Water Supply ("DAWS"), stating there is adequate
14 water for the area being requested, within two years of the effective date of a
15 Decision in this case.

16 2. That WUGT resolve the storage and production deficiencies in the
17 Dixie System before entering any new Main Extension Agreements ("MXAs")
18 or CC&N extensions involving the Dixie System.

19 3. That WUGT file within two years of the Decision in this matter, as a
20 compliance item in this docket, a copy of the Certificates of Approval of
21 Construction ("AOC") for its water source, treatment plant, storage tanks and
22 water distribution system for the proposed Phase 1 of the water system issued
23 by the Maricopa County of Environmental Services Department ("MCESD").

24 4. That Hassayampa charge its authorized rates and charges in the
25 extension area.

26 5. That Hassayampa file with Docket Control, as a compliance item in
27 this docket, a copy of the franchise agreement from Maricopa County for the
28 requested area, within 365 days of the Decision in this matter.

 6. That Hassayampa file with Docket Control, as a compliance item in
this docket, a copy of the Approval to Construct ("ATC") issued by MCESD
for Hassayampa Ranch Water Reclamation Facilities ("WRF") Campus No. 1,
needed to serve the initial phase of the development in the requested area by
July 31, 2008.

 7. That Hassayampa file with Docket Control, as a compliance item in
this docket, a copy of the ATC issued by MCESD for the sewer tie-in between
Hassayampa Ranch WRF Campus No. 1 and the initial phase of the
development in the requested extension area by April 30, 2009.

 8. That Hassayampa file with Docket Control, as a compliance item in
this docket, copies of the Aquifer Protection Permit ("APP") and Arizona
Pollutant Discharge Elimination System ("AZPDES") issued by ADEQ
for the Hassayampa Ranch WRF Campus No. 1, needed to serve the initial

phase of the development in the requested area by April 30, 2009.

9. That Hassayampa comply with all requirements and conditions set forth in Decision No. 68922 (August 29, 2006) and Procedural Order issued on June 18, 2007, in Docket No. SW-20422A-05-0659.

24. Staff further recommended that a Decision granting the requested CC&N extension areas to WUGT or Hassayampa be considered null and void, after due process, if WUGT or Hassayampa fails to meet the any of the above outlined timeframes.

25. At the hearing, Mr. Bill Rain, a principal with the Belmont development, presented public comment in this matter. He stated that Belmont purchased the land in 1999, which encompasses 20,000 acres in the extension area and plans are to break ground on the backbone infrastructure by early 2009 and begin building homes in 2010. He further stated that Angle Homes, which will encompass a third of the dwelling units in Belmont, expects to have homes for sale by fourth quarter 2010 or first quarter 2011. (Tr. Pg. 14, lines 1-16)

26. Mr. Rain stated that the Master Plan for the development has been approved by the County, the Corps of Engineer 404 Permit has been obtained and a Residential Unit Plan and Development has been submitted to the County for the first 1,600 acres. (Tr. Pg. 15, lines 1-13)

27. Mr. Rain stated that he has been a developer for 25 years and has been responsible for several master planned communities in Arizona including: the Islands, Lakewood, Garden Lakes, and Tatum Ranch. (Tr. Pg. 15, lines 18-25)

28. Mr. Jeff Dana also presented public comment on behalf of 339th and I-10 LLC (known as the 339th Avenue Project), which will encompass 621 acres in the proposed extension area. He stated that Maricopa County has approved the Master Plan for the project and the preliminary plats for 1,200 lots have been submitted for the development. (Tr. Pg. 16, lines 16-25)

29. Mr. Dana stated that the 339th Avenue Project will be a combination of residential and industrial use. (Tr. Pg. 17, lines 1-25)

30. Mr. Richard Jellies presented public comment on behalf of the Copperleaf and Vaquero developments and eight acres that he owns at 411th and Camelback. He stated that Copperleaf has 1,200 acres, and Vaquero has 1,400 acres in the proposed extension area. (Tr. Pg. 19, lines 15-19)

31. Mr. Jellies stated he anticipates it will be 2010 before they break ground on the Copperleaf project and the project will be a mixed-use project of industrial, commercial and residential. (Tr. Pg. 20, lines 20 -15 and pg. 21, lines 1-8)

32. Chief Financial Officer and Senior Vice President of Growth Services for Global Water Management, Ms. Cindy Liles testified that she had recently been in contact with the owners of Silver Water Ranch and Silver Springs Ranch and the owners have obtained the development Master Plan from Maricopa County for the projects and are finalizing the zoning for their areas. (Tr. Pg. 24, lines 14-25)

33. Ms. Liles further testified that the owners of the Desert Whisper project will enter into a line extension with WUGT and discussions are underway for a wastewater line extension with Balterra Sewer. (Tr. Pg. 32, lines 1-25)

34. Ms. Liles testified that the on-site facilities in the extension areas will be financed through line extension agreements with the developers and advances in aid of construction ("AIAC"). She further stated that off-site facilities will primarily be financed with equity. (Tr. Pg. 28, lines 7-24)

WUGT Water System

35. WUGT operates eight individual water systems, which include: B&D/Buckeye Ranch; Dixie; Garden City/Big Horn; Rose View; Sunshine; West Phoenix Estates #6; Tufte & West Phoenix Estates #7; and West Phoenix Estates #1.

36. Staff analyzed WUGT's water systems and summarized the information in the following chart:⁴

System Name	B&D/Buckeye Ranch	Dixie	Sunshine	WPE #6	Rose View	Garden City/Big Horn	Tufte WPE #7	WPE #1
PWS ID#	07-618	07-030	07-071	07-0733	07-082	07-037	07-0617	N/A ⁵
# of wells	2	1	1	1	1	1	1	1
Total production (gallons per minute "GPM")	145	40	130	20	30	30	20	20
# of storage tanks	2	1	1	1	1	2	1	1

⁴ The information in the chart shows updated information on WUGT's water systems and was filed in the Staff Report in Docket No. W-02450A-07-0290.

⁵ Water systems that serve fewer than 15 connections are not regulated by MCESD/ADEQ.

1	Total storage capacity (gallons)	155,000	10,000	100,000	7,500	10,000	45,000	5,000	5,000
2	Existing # of customers	99	42	143	24	17	20	6	4
3	Does system provide fire flow?	Yes	No	Yes	No	No	Yes	No	No
4	Is storage capacity adequate	Yes	Yes ⁶	Yes	Yes	Yes	Yes	Yes	Yes
5	Is production capacity adequate? MCESD	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Compliance Status Date	Complaint 2/21/07	Compliant 3/21/07	Compliant 3/28/07	Compliant 3/20/07	Compliant 3/21/07	Compliant 4/11/97	N/A ⁵	N/A ⁵
7	Arsenic Levels (parts per billion "ppb") ⁶	17	8.5	13	12	24	3.8	26	18

37. Based on the information listed above, and the Water Use Data submitted, Staff concluded that all eight WUGT existing water systems have adequate production and storage capacities to serve its existing customer base and limited growth. Therefore, Staff's recommendation that WUGT resolve its storage deficiencies in the Dixie System in compliance with Commission Decision No. 68307 (November 14, 2005), should be deleted as WUGT has already satisfied that requirement.

38. WUGT proposes to build the water plant facilities in the extension areas in phases designed to meet the needs of the developments growth patterns, at an estimated total projected cost of \$39.2 million.

39. WUGT proposes to fund the cost for the new water plant facility with a combination of equity and AIAC.

40. Phase 1 of the development will occur in the Belmont and 339th Avenue Project developments and WUGT intends to purchase and install wells with a total production capacity of 3.8

⁶See Docket No. W-02450A-07-0290, Recommended Opinion and Order Finding of Fact Nos. 25-27, which found that WUGT is in compliance with the new arsenic standard for all of its public water systems. (Decision No. pending)

1 million gallons per day ("MGD"), arsenic treatment facilities, a 2.5 MGD surface water treatment
2 plant, 5 million gallon storage facilities, booster stations and water lines.

3 41. WUGT anticipates that the initial water plant facilities will be operational by 2009 and
4 the first phase of the future 2.5 MGD surface treatment plant will be operational by 2012.

5 42. Staff concluded that the proposed water plant facilities' planned production and
6 storage capacities appear to be appropriate and adequate to serve the requested extension area for the
7 first five years and the estimated costs of the plant to serve the extension area are reasonable.
8 However, Staff made no "used and useful" determination of the proposed plant-in-service and no
9 conclusion should be inferred for rate making or rate base purposes.

10 43. The MCESD has determined that all six of WUGT's public systems are in compliance
11 and are currently delivering water that meets the water quality standards as required by the A.A.C.⁷

12 44. WUGT has not obtained the Certificates of Approval of Construction ("AOC") for the
13 Phase 1 water plant facilities issued by MCESD or ADEQ. Staff initially recommended that WUGT
14 file a copy of the AOC issued by MCESD for Phase 1 water plant facilities needed in the requested
15 extension area.

16 45. In its Revised Response to the Staff Report, WUGT requested that Staff clarify its
17 condition related to the filing of the AOC for the Phase 1 water plant facilities stating that several
18 facilities were proposed for Phase 1. (Revised Response, pg. 8)

19 46. During the hearing, Staff orally modified and filed as a late-filed exhibit its modified
20 recommendation to require WUGT to file a copy of its AOC "for the initial water plant facilities,
21 including production, storage and water distribution system, needed to serve the initial phase of the
22 development in the requested area, within two years after the effective date of a decision in this case."

23 47. WUGT also requested that Staff's condition regarding the filing of the AOC within
24 two years of a decision in this matter be extended to three years.

25 48. On January 23, 2006, the U.S. Environmental Protection Agency ("EPA") reduced the
26 arsenic maximum containment level ("MCL") from 50 parts per billion ("ppb") to 10 ppb.

27
28 ⁷ Two of WUGT's water systems have fewer than 15 customers and they are not regulated by the MCESD.

1 49. In Docket No. W-02450A-07-0290, Staff concluded that all of WUGT's public
2 systems are all in compliance with the new arsenic MCL.

3 50. The ADWR has determined that WUGT is located in the Phoenix Active Management
4 Area ("AMA") and WUGT is in compliance with the Phoenix AMA reporting and conservation
5 requirements.

6 51. WUGT has not obtained a Designation of Assured Water Supply showing there is an
7 adequate water supply for the requested extension area.

8 52. In its Revised Response to the Staff Report, WUGT requested that Staff modify its
9 recommendation to allow WUGT to file either a DAWS or Certificate of Assured Water Supply
10 ("CAWS") for the proposed extension area.

11 53. At the hearing, Staff orally modified its recommendation to require WUGT to file
12 either a DAWS or CAWS within two years of a decision in this matter showing there is an adequate
13 water supply for the proposed extension area.

14 54. WUGT has a Franchise Agreement from Maricopa County for the requested extension
15 area.

16 55. The Utilities Division Compliance Section show no delinquent compliance items for
17 WUGT.

18 56. WUGT has an approved curtailment tariff.

19 **Hassayampa Wastewater System**

20 57. Hassayampa proposes to construct five WRF over a 20-year planning period and an
21 additional WRF for Hassayampa Ranch, (Campus No. 1).

22 58. The total projected wastewater treatment capacity is 19.26 MGD, for a total projected
23 cost of \$245 million at build out.

24 59. The proposed WRFs will use a Sequencing Batch Reactor technology combined with
25 filtration and disinfection.

26 60. Hassayampa proposes to construct the WRFs in phases designed to meet the needs of
27 the development growth patterns. Hassayampa estimates it will add 200 dwelling units per month
28 during the first two years of operation and 300 dwelling units per month in the next three years in the

1 extension area.

2 61. Hassayampa anticipates that the Campus No. 1 facility will be operational by April
3 2009, and expanded as necessary to accept 0.45 MGD flows from the initial phase of the
4 development as well as from Hassayampa Ranch.

5 62. In the first five years, Hassayampa expects to construct two 1.0 MGD WRFs (Campus
6 No. 2 and No. 3) in addition to the Hassayampa Ranch 1.0 MGD WRF (Campus No. 1), which will
7 produce a total wastewater treatment capacity of 3 MGD.

8 63. The effluent (reclaimed water) generated in the extension area will be primarily used
9 for irrigating common areas and any excess reclaimed water will be recharged or as a last resort,
10 discharged into washes. However, Global testified that once the first treatment plant is built, Global
11 plans to treat the reclaimed water to class A-plus standards. (Tr. Pg. 73, lines 11-25)

12 64. President and Chief Executive Officer for Global Water Management, Mr. Trevor
13 Hill, testified that each subdivision in the extension area will be plumbed with both purple pipe (for
14 reclaimed water) and pipes for potable water. Mr. Hill explained that eventually the system will be
15 sealed and the lines pressurized so that the reclaimed water can be used in homes for purposes such
16 as irrigation and toilet flushing. (Tr. Pg. 79, lines 1-25)

17 65. Mr. Graham Symmonds, senior vice president of regulatory affairs and compliance
18 and chief technical officer for Global Water Management, testified that Hassayampa will need
19 approval from ADEQ and the County to install the purple pipe in the proposed extension area. He
20 stated that the County and ADEQ want to ensure that there is no potential cross-connection control
21 issue, there is no back-flow issue and that the water remains at a sufficient quality so that it doesn't
22 impact human health. (Tr. Pg. 145, lines 1-24)

23 66. Although Staff did not recommend that Hassayampa file evidence of ADEQ and
24 County approval for the installation of purple pipe, we believe it is in the public interest to do so.

25 67. Staff reviewed the proposed wastewater infrastructure and projected cost for the
26 WRFs for the first five years and concluded that the plant facilities and estimated cost of \$62.3
27 million to be reasonable. However, Staff made no "used and useful" determination of the proposed
28 plant-in-service and no conclusions should be inferred for rate making or rate base purposes.

1 68. Hassayampa proposes to pay for the proposed WRF infrastructure with equity and
2 AIAC.

3 69. Hassayampa has not obtained the Certificate of Approval to Construct ("ATC") for the
4 proposed wastewater plant facilities from MCESD.

5 70. Mr. Symmonds, testified that the ATC had not been applied for because the 208
6 process had not been finalized with the EPA. (Tr. Pg. 142, lines 18-25)

7 71. Hassayampa has not obtained the APP and AZPDES permit for the proposed
8 wastewater plant facilities from ADEQ.

9 72. There is no compliance information for Hassayampa's proposed wastewater
10 infrastructure as it is not yet operational.

11 73. Hassayampa will charge its existing rates and charges in the proposed area.

12 74. Hassayampa has a Franchise Agreement from Maricopa County for the requested
13 extension area.

14 75. Part of Hassayampa's requested extension area includes approximately 65 acres of
15 land owned by the Arizona State Trust Land Department. On September 11, 2007, the Arizona State
16 Land Department provided a letter stating that it "believes that it is in the best interest of the State
17 Trust that its lands be included within Hassayampa's 208 Amendment."

18 76. Staff recommended that any approval in this docket be conditional on Hassayampa
19 meeting all of the requirements and conditions set forth in Decision No. 68922 (August 29, 2006) and
20 Procedural Order issued on June 18, 2007, in Docket No. SW-20422A-05-0659.

21 77. Commission Decision No. 68922 granted Hassayampa a new wastewater CC&N to
22 provide service to the Hassayampa Ranch development. As a condition of the CC&N approval,
23 Hassayampa was to file an approved Maricopa Association of Governments ("MAG") 208 Water
24 Quality Management Plan showing the Hassayampa Ranch WRF (Campus No. 1) as the treatment
25 facility for the development.

26 78. Hassayampa filed its application for a MAG 208 plan amendment in June of 2005.

27 79. The Town of Buckeye ("Town") objected to Hassayampa's proposed MAG 208
28 Amendment stating that the development in the extension area could result in recharge of reclaimed

1 water in a manner that may not properly sustain the viability of the Lower Hassayampa Sub-Basin
2 ("Sub-Basin"). The Town believes that a regional approach to proper management of the Sub-Basin
3 would achieve sustainability of the Sub-Basin and support planned development in the region.⁸

4 80. Subsequently, the Town and Global agreed to a joint effort with developers in the
5 Town's municipal plan area ("MPA") and with developers outside the Town's MPA, to retain an
6 engineering consultant, Brown and Caldwell, to conduct a hydrologic study of the Sub-Basin. The
7 results of that study, which were submitted to the ADWR in November 2006, indicated that planned
8 development within the Town's MPA can be sustained through proper management of the Sub-Basin,
9 which includes recharge of reclaimed water used in strategic areas of the Sub-Basin.⁹

10 81. Mr. Michael J. Pearce, former chief counsel for the ADWR testified at the hearing on
11 behalf of Global. He stated that the extension area is located within the Phoenix AMA, which is
12 entirely within the Hassayampa sub-basin. (Tr. Pg. 88, lines 1-9) He further stated that the AMAs are
13 groundwater basins that been designated by statute and the State more heavily regulates the use of the
14 groundwater in those basins to try to limit overdraft, and in some cases try to limit it entirely to a
15 conditional safe yield by the year 2025. (Tr. Pg. 87-88)

16 82. Mr. Hill testified that the hydrologic study looked at every development scenario for
17 the entire region at build out and represented 1,000 square miles. He further stated the model looked
18 at all scenarios of water use from no reuse or recharge to maximum water reuse and recharge for the
19 region. (Tr. Pg. 55, lines 6-22)

20 83. On October 2, 2007, Global entered into an initial Memorandum of Understanding
21 ("MOU") with the Town to share the use of the Sub-Basin. Subsequently, on October 22, 2007
22 Global and the Town entered into an Agreement that binds the parties to exercise their best
23 reasonable management practices to:

- 24 a. manage the water resources in the Sub-Basin;
- 25 b. encourage positive aquifer impacts;
- 26 c. minimize and/or mitigate negative hydrologic interference;
- 27 d. maximize recharge and reuse of reclaimed water;
- e. reduce or eliminate discharge of reclaimed water; and
- f. promote local replenishment to offset depletion.

28 ⁸ Global and Town of Buckeye's Memorandum of Understanding dated October 2, 2007.

⁹ Ibid.

1 84. As a result of the Agreement, the Town agreed not to oppose Hassayampa's proposed
2 MAG 208 Amendment.¹⁰

3 85. Mr. Hill testified that because of the Agreement with the Town, Global's relationship
4 with the Town has gone from neutral to "very positive" overnight and that they now meet regularly to
5 jointly manage the water in the Sub-Basin for future customers. (Tr. Pg. 54, lines 16-25)

6 86. During the hearing, Hassayampa presented evidence showing that Hassayampa's
7 application for its 208 Amendment to include the proposed extension area had been approved by
8 MAG on October 24, 2007. According to Mr. Hill, the next step in the 208 process is to get approval
9 from ADEQ. Mr. Hill testified that he had been verbally told ADEQ had approved the 208
10 Amendment, but was awaiting the signature of the director of ADEQ. (Tr. Pg. 56, lines 9-25)

11 87. On December 26, 2007, Hassayampa filed a Notice of Compliance with Decision No.
12 68922 (in Docket No. SW-20422A-05-0659), which showed it had received approval for the 208
13 Amendment for both the Hassayampa Northeast Service Area, which includes Hassayampa Ranch
14 WRF for Campus No. 1, as well as the 208 Plan Amendment for the Southwest Service Area issued
15 by ADEQ. Therefore, we find that Hassayampa has satisfied Staff's recommendation that it comply
16 with Commission Decision No. 68922 (August 29, 2006) regarding the filing of the 208 Amendment
17 for the extension area.

18 88. Mr. Hill also presented commentary on the Recycled Water "White Paper" developed
19 by Global to address water reclamation reuse and water resource conservation. He stated that the
20 White Paper pulls together ten national and international case studies on successful ways to manage
21 water scarcity in growing areas. (Tr. Pg. 57, lines 1-25)

22 89. Mr. Hill also testified that there is one golf course planned within the Belmont
23 development and that he was not aware of any proposed lakes or ornamental features in the proposed
24 extension area. (Tr. Pg. 74, lines 14-24)

25 90. Staff's recommendations, as modified herein, are reasonable and should be adopted.

26 91. Because an allowance for property tax expense is included in WUGT and
27

28 ¹⁰ Agreement Regarding the Water Resources Management of the Lower Hassayampa Sub-Basin dated October 22, 2007.

1 Hassayampa's rates and will be collected from its customers, the Commission seeks assurances from
2 WUGT and Hassayampa that any taxes collected from ratepayers have been remitted to the
3 appropriate taxing authority. It has come to the Commission's attention that a number of water and
4 wastewater companies have been unwilling or unable to fulfill their obligation to pay the taxes that
5 were collected from ratepayers, some for as many as twenty years. It is reasonable, therefore, that as
6 a preventive measure WUGT and Hassayampa shall annually file, as part of their annual reports, an
7 affidavit with the Utilities Division attesting that the Companies are current in paying their property
8 taxes in Arizona.

9 CONCLUSIONS OF LAW

10 1. Water Utility of Greater Tonopah and Hassayampa Utility Company are public service
11 corporations within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-281, 40-
12 282 and 40-285.

13 2. The Commission has jurisdiction over Water Utility of Greater Tonopah and
14 Hassayampa Utility Company and the subject matter of the applications.

15 3. Notice of the applications was provided in accordance with the law.

16 4. There is a public need and necessity for water and wastewater service in the proposed
17 service territories as set forth in Exhibit A and Exhibit B, attached hereto and incorporated herein by
18 reference.

19 5. Subject to compliance with the above stated conditions, Water Utility of Greater
20 Tonopah and Hassayampa Utility Company are fit and proper entities to receive an extension of their
21 respective water and wastewater Certificates.

22 6. Staff's recommendations as modified herein, are reasonable and should be adopted.

23 ORDER

24 IT IS THEREFORE ORDERED that the applications of Water Utility of Greater Tonopah,
25 Inc., and Hassayampa Utility Company, Inc., to extend their Certificates of Convenience and
26 Necessity to provide water and wastewater services in Maricopa County, as described in Exhibit A
27 and B, attached hereto and incorporated herein by reference is hereby approved subject to the
28 conditions and requirements recommended by Staff and in the following Ordering paragraphs.

1 IT IS FURTHER ORDERED that Water Utility of Greater Tonopah, Inc., shall file with
2 Docket Control, as a compliance item in this docket, a copy of the Arizona Department of Water
3 Resource's Designation of Assured Water Supply or Certificate of Assured Water Supply stating
4 there is adequate water supply for the extension area described in Exhibit A, within two years of the
5 effective date of this Decision.

6 IT IS FURTHER ORDERED that Water Utility of Greater Tonopah, Inc., shall file with
7 Docket Control, as a compliance item in this docket, a copy of the Certificate of Approval of
8 Construction issued by the Maricopa County Environmental Services Department for the initial water
9 plant facilities, including production, storage and water distribution system, needed to serve the initial
10 phase of the development in the extension area, within two years of the effective date of this
11 Decision.

12 IT IS FURTHER ORDERED that Hassayampa Utility Company, Inc., shall file with Docket
13 Control, as a compliance item in this docket, a copy of the Approval to Construct issued by the
14 Maricopa County Environmental Services Department for the Hassayampa Ranch Water
15 Reclamation Facility Campus No. 1, needed to serve the initial phase of the development in the
16 requested area by July 31, 2008.

17 IT IS FURTHER ORDERED that Hassayampa Utility Company, Inc., shall file with Docket
18 Control, as a compliance item in this docket, a copy of the Approval to Construct issued by the
19 Maricopa County of Environmental Services Department, for the sewer tie-in between Hassayampa
20 Ranch Water Reclamation Facility Campus No. 1, and the initial phase of the development in the
21 extension area by April 30, 2009.

22 IT IS FURTHER ORDERED that Hassayampa Utility Company, Inc., shall file with Docket
23 Control, as a compliance item in this docket, copies of the Aquifer Protection Permit and Arizona
24 Pollutant Discharge Elimination System for the Hassayampa Ranch Water Reclamation Facility
25 Campus No. 1, needed to serve the initial phase of the development in the extension area by April 30,
26 2009.

27 IT IS FURTHER ORDERED that if either Water Utility of Greater Tonopah, Inc., or
28 Hassayampa Utility Company, Inc., fails to comply with any of the timeframes outlined above the

Certificate of Convenience and Necessity conditionally granted herein shall become null and void, after due process.

IT IS FURTHER ORDERED that Water Utility of Greater Tonopah, Inc., and Hassayampa Utility Company, Inc., shall charge its authorized rates and charges on file with the Commission in the proposed extension areas, until further Order of the Commission.

IT IS FURTHER ORDERED that Hassayampa Utility Company, Inc., shall file with Docket Control, a copy of the approval issued by the Arizona Department of Environmental Quality and Maricopa County for the installation of purple pipe for the initial phase of the development immediately upon receiving it, but no later than 30 days after its receipt.

IT IS FURTHER ORDERED that Water Utility of Greater Tonopah, Inc., and Hassayampa Utility Company, Inc., shall annually file as part of their annual reports, an affidavit with the Utilities Division attesting that they are current on their property taxes in Arizona.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this ____ day of _____, 2008.

BRIAN C. McNEIL
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

YBK:

1 SERVICE LIST FOR:

WATER UTILITY OF GREATER TONOPAH, INC.,
and HASSAYAMPA UTILITY COMPANY, INC.

2
3 DOCKET NOS.:

W-02450A-06-0626 and SW-20422A-06-0566

4 Graham Symmonds, Senior Vice President
5 GLOBAL WATER MANAGEMENT
6 21410 North 19th Avenue, Suite 201
Phoenix, Arizona 85027

7 Michael W. Patten
8 Timothy J. Sabo
9 ROSHKA DeWULF & PATTEN, PLC
10 One Arizona Center
400 East Van Buren Street, Suite 800
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Attorney for Water Utility of Greater Tonopah

11 Norman D. James
12 Todd C. Wiley
13 FENNEMORE CRAIG
3003 North Central Avenue, Suite 2600
Phoenix, AZ 85012
Attorneys for Belmont Group

14 Christopher Kempley, Chief Counsel
15 Legal Division
ARIZONA CORPORATION COMMISSION
16 1200 West Washington Street
Phoenix, Arizona 85007

17 Ernest Johnson, Director
18 Utilities Division
ARIZONA CORPORATION COMMISSION
19 1200 West Washington Street
Phoenix, Arizona 85007

EXHIBIT A
LEGAL DESCRIPTION
CC&N EXPANSION AREA FOR
WATER UTILITY OF GREATER TONOPAH
MARICOPA COUNTY, ARIZONA

TOWNSHIP 2 NORTH, RANGE 6 WEST, G&SRB&M, MARICOPA COUNTY,
ARIZONA

PARCEL 1

ALL OF SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 2

ALL OF SECTION 11, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 3

ALL OF SECTION 12, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 4

THE NORTH HALF AND THE SOUTHWEST QUARTER OF SECTION 13, TOWNSHIP 2
NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA.

PARCEL 5

ALL OF SECTION 14, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 6

THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 2
NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA,

EXCEPT THE NORTH 282.91 FEET OF THE SOUTH 305.26 FEET OF THE EAST 154.00
FEET OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 16,
TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA, AND

EXCEPT THE SOUTH 282.91 FEET OF THE NORTH 478.97 FEET OF THE EAST 154.00
FEET OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 16,
TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN.
MARICOPA COUNTY. ARIZONA.

PARCEL 7

THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

THE NORTH HALF OF SECTION 20, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY ARIZONA.

PARCEL 10

THE NORTHWEST QUARTER OF SECTION 23, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 11

THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 12

THE WEST HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; AND THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; AND THE WEST HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 13

THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER, AND THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIANS MARICOPA COUNTY, ARIZONA.

PARCEL 14

THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 15

THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; AND THE EAST HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 16

THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN. MARICOPA COUNTY, ARIZONA.

PARCEL 17

THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN. MARICOPA COUNTY, ARIZONA,

PARCEL 18

THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT THEREFROM THAT PORTION WHICH LIES WITHIN A STRIP OF LAND 308 FEET IN WIDTH, BEING 154 FEET WIDE ON EACH SIDE OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SECTION 30, WHICH POINT BEARS S 00° 00' 05" SECONDS WEST, 76.94 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 30;

THENCE S75°07'10"E, 2990.74 FEET TO A BEARING EQUATION POINT, AT WHICH POINT S75°07'10"E = S75°04'23"E; THENCE S75°04'23"E, 2445.44 FEET TO A POINT ON THE LINE COMMON TO SAID SECTION 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST, WHICH POINT BEARS S00°00'38" W, 1476.85 FEET FROM THE SECTION CORNER COMMON TO SECTIONS 19, 20, 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST;

THENCE CONTINUING S75°04'23"E TO THE EAST LINE OF SAID WEST HALF OF THE NORTHWEST QUARTER OF SECTION 29; AND,

EXCEPT THEREFROM THOSE PORTIONS LYING WITHIN THE FOLLOWING DESCRIBED PARCELS OF LAND:

TRACT NO. 1

BEGINNING AT A POINT ON THE LINE COMMON TO SAID SECTIONS 29 AND 30, WHICH POINT BEARS S00°00'38"W, 476.85 FEET FROM THE CORNER COMMON TO SECTIONS 19, 20, 29 AND 30;
 THENCE N89°59'22"W, 33.00 FEET;
 THENCE S08°19'27"W, 809.17 FEET TO THE EXISTING NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (EHRENBERG-PHOENIX HIGHWAY);
 THENCE S75°04'23"E, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 310.42 FEET;
 THENCE N04°29'47"W, 381.77 FEET;
 THENCE N09°51'36"W, 507.51 FEET;
 THENCE N89°59'22"W, 33.00 FEET TO THE POINT OF BEGINNING.

TRACT NO. 2

BEGINNING AT A POINT ON THE LINE COMMON TO SAID SECTIONS 29 AND 30, WHICH POINT BEARS N00°00'38"E, 2805.94 FEET FROM THE CORNER COMMON TO SECTIONS 29, 30, 31 AND 32;
 THENCE N89°59'22"W, 33.00 FEET;
 THENCE N07°33'28"W, 888.33 FEET TO THE EXISTING SOUTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (EHRENBERG-PHOENIX HIGHWAY);
 THENCE S75°04'23"E, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 310.42 FEET;
 THENCE S08°19'27"W, 809.17 FEET;
 THENCE N89°59'22"W, 33.00 FEET TO THE POINT OF BEGINNING; AND

EXCEPT THEREFROM ANY PORTION LYING WITHIN THE FOLLOWING DESCRIBED PARCEL OF LAND:

BEGINNING AT THE NORTHEAST CORNER OF SECTION 30;
 THENCE WEST ALONG THE NORTH SECTION LINE 511 FEET;
 THENCE SOUTH 90 FEET;
 THENCE WEST 50 FEET;
 THENCE SOUTH 1098 FEET;
 THENCE EAST ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (EHRENBERG-PHOENIX HIGHWAY) TO A POINT COMMON TO SECTIONS 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST;
 THENCE NORTH ALONG THE EAST SECTION LINE TO THE POINT OF BEGINNING.

PARCEL 19

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA. DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SECTION 30;
 THENCE WEST ALONG THE NORTH SECTION LINE 511 FEET;
 THENCE SOUTH 90 FEET;
 THENCE WEST 50 FEET;
 THENCE SOUTH 1098 FEET;
 THENCE EAST ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE 10
 (EHRENBERG-PHOENIX HIGHWAY) TO A POINT COMMON TO SECTIONS 29 AND 30,
 TOWNSHIP 2 NORTH, RANGE 6 WEST;
 THENCE NORTH ALONG THE EAST SECTION LINE TO THE POINT OF BEGINNING,

EXCEPT THAT PORTION LYING WITHIN THE FOLLOWING DESCRIBED PARCEL OF
 LAND:

BEGINNING AT A POINT ON THE LINE COMMON TO SAID SECTIONS 29 AND 30,
 WHICH POINT BEARS S00°00'38"W, 476.85 FEET FROM THE CORNER COMMON TO
 SECTIONS 19, 20, 29 AND 30;
 THENCE N89°59'22"W, 33.00 FEET;
 THENCE S08°19'27"W, 809.17 FEET TO THE EXISTING NORTHERLY RIGHT-OF-WAY
 LINE OF INTERSTATE HIGHWAY 10 (EHRENBERG-PHOENIX HIGHWAY);
 THENCE S75°04'23"E, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 310.42
 FEET,
 THENCE N04°29'47"W, 381.77 FEET;
 THENCE N09°51'36"W, 507.51 FEET;
 THENCE N89°59'22"W, 33.00 FEET TO THE POINT OF BEGINNING.

PARCEL 20

THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 2
 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
 MARICOPA COUNTY, ARIZONA;

EXCEPT THEREFROM THAT PORTION WHICH LIES WITHIN A STRIP OF LAND 308
 FEET IN WIDTH, BEING 154 FEET WIDE ON EACH SIDE OF THE FOLLOWING
 DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SECTION 30, WHICH POINT BEARS
 S00°00'05"W, 76.94 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 30;
 THENCE S75°07'10"E, 2990.74 FEET TO A BEARING EQUATION POINT, AT WHICH
 POINT S75°07'10"E = S75°04'23"E;
 THENCE S75°04'23"E, 2445.44 FEET TO A POINT ON THE LINE COMMON TO SAID
 SECTION 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST, WHICH POINT BEARS
 S00°00'38"W, 1476.85 FEET FROM THE SECTION CORNER COMMON TO SECTIONS 19,
 20, 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST;
 THENCE CONTINUING S75°04'23"E TO THE EAST LINE OF SAID WEST HALF OF THE
 NORTHWEST QUARTER OF SECTION 29.

**TOWNSHIP 3 NORTH, RANGE 6 WEST, G&SRB&M, MARICOPA COUNTY,
ARIZONA**

PARCEL 1

THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14,
TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL
ARIZONA PROJECT CANAL.

PARCEL 2

THE SOUTH HALF OF THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER
OF SECTION 22, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 3

ALL OF SECTION 23, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL
ARIZONA PROJECT CANAL.

PARCEL 4

ALL OF SECTION 24, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL
ARIZONA PROJECT CANAL.

PARCEL 5

ALL OF SECTION 25, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 6

THE EAST HALF AND THE EAST HALF OF THE WEST HALF OF SECTION 26,
TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 7

THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 26,
TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

THE EAST HALF OF SECTION 27, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA
AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

ALL OF SECTION 34, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 10

ALL OF SECTION 35, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA..

TOWNSHIP 1 NORTH, RANGE 5 WEST, G&SRB&M, MARICOPA COUNTY,
ARIZONA

PARCEL 1

THE NORTHWEST QUARTER OF SECTION FIVE (5), TOWNSHIP ONE (1) NORTH,
RANGE FIVE (5) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA,

EXCEPT THAT PORTION LYING WITHIN THE PHOENIX-EHRENBERG HIGHWAY (I-
10) DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH QUARTER CORNER OF SECTION 5;
THENCE SOUTH 00 DEGREES 08 MINUTES 55 SECONDS EAST 187.60 FEET (SOUTH
187.18 FEET RECORD) ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF
SECTION 5 TO THE SOUTH RIGHT-OF-WAY OF SAID HIGHWAY;
THENCE NORTH 75 DEGREES 01 MINUES 17 SECONDS WEST (NORTH 75 DEGREES
01 MINUTES 36 SECONDS WEST 725.36 FEET RECORD) ALONG SAID RIGHT-OF-WAY
TO THE NORTH LINE OF SECTION 5;
THENCE SOUTH 89 DEGREES 59 MINUTES 34 SECONDS EAST 700.57 FEET (EAST
700.80 FEET RECORD) TO THE POINT OF BEGINNING.

PARCEL 2

THE WEST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST QUARTER
OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 1 NORTH, RANGE 5

WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 3

THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 5, TOWNSHIP 1 NORTH, RANGE 5 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 4

THE WEST HALF OF THE NORTHEAST QUARTER AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION EIGHT (8), TOWNSHIP ONE (1) NORTH, RANGE FIVE (5) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 5

THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 1 NORTH, RANGE 5 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT THE SOUTH 701.62 FEET THEREOF.

PARCEL 6

THE SOUTH HALF OF THE NORTH HALF OF THE FOLLOWING DESCRIBED PARCEL:

THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER SECTION 8, TOWNSHIP 1 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 7

THE SOUTH HALF OF THE SOUTH HALF OF THE FOLLOWING DESCRIBED PARCEL:

THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 1 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

THE NORTH HALF OF THE NORTH HALF OF THE FOLLOWING DESCRIBED PARCEL:

THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 1 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

THE NORTH HALF OF THE SOUTH HALF OF THE FOLLOWING DESCRIBED PARCEL:

THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8,
TOWNSHIP 1 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 10

THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 1
NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA.

**TOWNSHIP 2 NORTH, RANGE 5 WEST, G&SRB&M, MARICOPA COUNTY,
ARIZONA**

PARCEL 1

ALL OF SECTION 3, TOWNSHIP 2 NORTH, RANGE 5 WEST, OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 2

ALL OF SECTION 4, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 3

ALL OF SECTION 5, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 4

ALL OF SECTION 6, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 5

ALL OF SECTION 7, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 6

ALL OF SECTION 8, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 7

ALL OF SECTION 9, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

THE WEST HALF OF THE EAST HALF AND THE WEST HALF OF SECTION 10, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 5 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 10

ALL OF SECTION 18, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 11

THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, THE EAST HALF OF THE NORTHWEST QUARTER AND THE EAST HALF OF SECTION 19, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 12

THE WEST HALF, THE WEST HALF OF THE EAST HALF, THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER, THE SOUTH HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER AND THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXCEPT COMMENCING AT THE NORTHEAST CORNER OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 29; THENCE SOUTH 00 DEGREES 11 MINUTES 16 SECONDS WEST, ALONG THE EAST LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER, 1291.13 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 00 DEGREES 11 MINUTES 16 SECONDS WEST, 26.41 FEET; THENCE NORTH 89 DEGREES 25 MINUTES 24 SECONDS WEST, ALONG THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER, 808.80 FEET; THENCE NORTH 01 DEGREES 25 MINUTES 28 SECONDS WEST, 101.26 FEET;

THENCE SOUTH 84 DEGREES 09 MINUTES 42 SECONDS EAST, 815.59 FEET TO THE POINT OF BEGINNING.

PARCEL 13

THE NORTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 14

THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 15

THE EAST HALF OF THE EAST HALF OF SECTION 31, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

TOWNSHIP 3 NORTH, RANGE 5 WEST, G&SRB&M, MARICOPA COUNTY, ARIZONA

PARCEL 1

ALL OF SECTION 17, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL ARIZONA PROJECT CANAL.

PARCEL 2

THE SOUTHEAST QUARTER, AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL ARIZONA PROJECT CANAL.

PARCEL 3

ALL OF SECTION 19, , TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL ARIZONA PROJECT CANAL.

PARCEL 4

ALL OF SECTION 20, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN. MARICOPA COUNTY, ARIZONA.

PARCEL 5

ALL OF SECTION 21 , TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 6

ALL OF SECTION 28, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 7

ALL OF SECTION 29, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

ALL OF SECTION 30, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

ALL OF SECTION 31, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 10

ALL OF SECTION 33, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 11

THE EAST HALF OF SECTION 34, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA
AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

CONTAINING APPROXIMATELY 22,049 ACRES, MORE OR LESS. THIS AREA IS NOT
BASED ON A FIELD SURVEY, BUT BASED ON CALCULATIONS DERIVED FROM
SCANNED IMAGES OF 7.5 MINUTES SERIES NGS QUAD MAPS AND OTHER
SCANNED MATERIALS WORKING WITHIN AN AUTOCAD DRAWING FILE

EXHIBIT B

LEGAL DESCRIPTION
CC&N EXPANSION AREA FOR
HASSAYAMPA UTILITY COMPANY
MARICOPA COUNTY, ARIZONA

TOWNSHIP 1 NORTH, RANGE 6 WEST, G&SRB&M, PINAL COUNTY, ARIZONA

PARCEL 1

ALL OF SECTION 6, TOWNSHIP 1 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 2

THE WEST HALF OF THE NORTHEAST QUARTER AND THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 7, TOWNSHIP 1 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THAT PORTION OF THE FOLLOWING DESCRIBED PARCEL OF LAND LYING WITHIN A 200 FOOT STRIP, BEING 100 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT A POINT NORTH 07 DEGREES 7 MINUTES 30 SECONDS EAST, 1223.03 FEET FROM THE SOUTHEAST CORNER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA;

THENCE NORTH 56 DEGREES 07 MINUTES 30 SECONDS WEST, 1783.55 FEET TO THE POINT OF CURVE OF A 0 DEGREES 15 MINUTES CURVE TO THE RIGHT, HAVING A RADIUS OF 22,918.3 FEET;

THENCE ALONG THE ARC OF SAID CURVE, A DISTANCE OF 433.33 FEET TO THE POINT OF TANGENT OF SAID CURVE;

THENCE NORTH 55 DEGREES 02 MINUTES 30 SECONDS WEST, 9949.29 FEET TO THE POINT OF CURVE OF A 4 DEGREES 00 MINUTES CURVE TO THE LEFT, HAVING A RADIUS OF 1432.69 FEET;

THENCE ALONG THE ARC OF SAID CURVE, 417.29 FEET TO THE POINT OF TANGENT OF SAID CURVE;

THENCE NORTH 71 DEGREES 44 MINUTES WEST, 4963.49 FEET TO THE POINT OF CURVE OF A 2 DEGREES 00 MINUTES CURVE TO THE RIGHT HAVING A RADIUS OF 2864.79 FEET;

THENCE ALONG THE ARC OF SAID CURVE, 489.17 FEET TO THE POINT OF TANGENT OF SAID CURVE;

THENCE NORTH 61 DEGREES 57 MINUTES WEST, 211.49 FEET TO A POINT ON THE WEST LINE OF SECTION 7, TOWNSHIP 1 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, SAID POINT BEING SOUTH 0 DEGREES 16 MINUTES WEST, 394.03 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 7.

TOWNSHIP 2 NORTH, RANGE 6 WEST, G&SRB&M, PINAL COUNTY, ARIZONA

PARCEL 1

ALL OF SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 2

ALL OF SECTION 11, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 3

ALL OF SECTION 12, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 4

THE NORTH HALF AND THE SOUTHWEST QUARTER OF SECTION 13, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 5

THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER OF SECTION 14, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 6

THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT THE NORTH 282.91 FEET OF THE SOUTH 305.26 FEET OF THE EAST 154.00 FEET OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AND

EXCEPT THE SOUTH 282.91 FEET OF THE NORTH 478.97 FEET OF THE EAST 154.00 FEET OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN. MARICOPA COUNTY. ARIZONA.

PARCEL 7

THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

THE NORTH HALF OF SECTION 20, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY ARIZONA.

PARCEL 10

THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 11

THE WEST HALF OF SECTION 21, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT THE EAST 200 ACRES THEREOF (OR APPROXIMATELY THE EAST 1650 FEET OF SAID WEST HALF OF SECTION 21).

PARCEL 12

THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 13

THE NORTHWEST QUARTER OF SECTION 28, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 14

THE WEST HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; AND THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; AND THE WEST HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST

QUARTER OF SECTION 28, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 15

THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER, AND THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIANS MARICOPA COUNTY, ARIZONA.

PARCEL 16

THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 17

THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; AND THE EAST HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 18

THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT THAT PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, WHICH LIES WITHIN A STRIP OF LAND 308 FEET IN WIDTH, BEING 154 FEET WIDE ON EACH SIDE OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SAID SECTION 29, WHICH POINT BEARS SOUTH 0 DEGREES 00 MINUTES 38 SECONDS WEST, 1476.85 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 29;
THENCE SOUTH 75 DEGREES 04 MINUTES 23 SECONDS EAST, 5470.76 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 29, WHICH POINT BEARS SOUTH 0 DEGREES 03 MINUTES 23 SECONDS WEST, 243.12 FEET FROM THE EAST QUARTER CORNER OF SAID SECTION 29, AS CONVEYED TO STATE OF ARIZONA BY AND THROUGH ITS HIGHWAY COMMISSION BY WARRANTY DEED RECORDED IN DOCKET 6586, PAGE 69.

PARCEL 19

THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT THAT PORTION OF SAID EAST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 29 WHICH LIES WITHIN A STRIP OF LAND 308 FEET IN WIDTH, BEING 154 FEET WIDE ON EACH SIDE OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SAID SECTION 29, WHICH POINT BEARS S00°00'38"W, 1476.85 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 29;
THENCE S75°04'23"E, 5470.76 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 29, WHICH POINT BEARS S00°03'23"W, 243.12 FEET FROM THE EAST QUARTER CORNER OF SAID SECTION 29.

PARCEL 20

THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT THEREFROM THAT PORTION WHICH LIES WITHIN A STRIP OF LAND 308 FEET IN WIDTH, BEING 154 FEET WIDE ON EACH SIDE OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SECTION 30, WHICH POINT BEARS S 00° 00' 05" SECONDS WEST, 76.94 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 30;
THENCE S75°07'10"E, 2990.74 FEET TO A BEARING EQUATION POINT, AT WHICH POINT S75°07'10"E = S75°04'23"E; THENCE S75°04'23"E, 2445.44 FEET TO A POINT ON THE LINE COMMON TO SAID SECTION 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST, WHICH POINT BEARS S00°00'38" W, 1476.85 FEET FROM THE SECTION CORNER COMMON TO SECTIONS 19, 20, 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST;
THENCE CONTINUING S75°04'23"E TO THE EAST LINE OF SAID WEST HALF OF THE NORTHWEST QUARTER OF SECTION 29, AND

EXCEPT THEREFROM THOSE PORTIONS LYING WITHIN THE FOLLOWING DESCRIBED PARCELS OF LAND:

TRACT NO. 1

BEGINNING AT A POINT ON THE LINE COMMON TO SAID SECTIONS 29 AND 30, WHICH POINT BEARS S00°00'38"W, 476.85 FEET FROM THE CORNER COMMON TO SECTIONS 19, 20, 29 AND 30;
THENCE N89°59'22"W, 33.00 FEET;

THENCE S08°19'27"W, 809.17 FEET TO THE EXISTING NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (EHRENBERG-PHOENIX HIGHWAY);
 THENCE S75°04'23"E, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 310.42 FEET,
 THENCE N04°29'47"W, 381.77 FEET;
 THENCE N09°51'36"W, 507.51 FEET;
 THENCE N89°59'22"W, 33.00 FEET TO THE POINT OF BEGINNING.

TRACT NO. 2

BEGINNING AT A POINT ON THE LINE COMMON TO SAID SECTIONS 29 AND 30, WHICH POINT BEARS N00°00'38"E, 2805.94 FEET FROM THE CORNER COMMON TO SECTIONS 29, 30, 31 AND 32;
 THENCE N89°59'22"W, 33.00 FEET;
 THENCE N07°33'28"W, 888.33 FEET TO THE EXISTING SOUTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (EHRENBERG-PHOENIX HIGHWAY);
 THENCE S75°04'23"E, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 310.42 FEET;
 THENCE S08°19'27"W, 809.17 FEET;
 THENCE N89°59'22"W, 33.00 FEET TO THE POINT OF BEGINNING.

PARCEL 21

THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN. MARICOPA COUNTY, ARIZONA.

PARCEL 22

THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN. MARICOPA COUNTY, ARIZONA.

PARCEL 23

THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT THEREFROM THAT PORTION WHICH LIES WITHIN A STRIP OF LAND 308 FEET IN WIDTH, BEING 154 FEET WIDE ON EACH SIDE OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SECTION 30, WHICH POINT BEARS S 00° 00' 05" SECONDS WEST, 76.94 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 30;
 THENCE S75°07'10"E, 2990.74 FEET TO A BEARING EQUATION POINT, AT WHICH POINT S75°07'10"E = S75°04'23"E; THENCE S75°04'23"E, 2445.44 FEET TO A POINT ON THE LINE COMMON TO SAID SECTION 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6

WEST, WHICH POINT BEARS S00°00'38" W, 1476.85 FEET FROM THE SECTION CORNER COMMON TO SECTIONS 19, 20, 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST;
 THENCE CONTINUING S75°04'23"E TO THE EAST LINE OF SAID WEST HALF OF THE NORTHWEST QUARTER OF SECTION 29; AND,

EXCEPT THEREFROM THOSE PORTIONS LYING WITHIN THE FOLLOWING DESCRIBED PARCELS OF LAND:

TRACT NO. 1

BEGINNING AT A POINT ON THE LINE COMMON TO SAID SECTIONS 29 AND 30, WHICH POINT BEARS S00°00'38"W, 476.85 FEET FROM THE CORNER COMMON TO SECTIONS 19, 20, 29 AND 30;
 THENCE N89°59'22"W, 33.00 FEET;
 THENCE S08°19'27"W, 809.17 FEET TO THE EXISTING NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (EHRENBERG-PHOENIX HIGHWAY);
 THENCE S75°04'23"E, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 310.42 FEET;
 THENCE N04°29'47"W, 381.77 FEET;
 THENCE N09°51'36"W, 507.51 FEET;
 THENCE N89°59'22"W, 33.00 FEET TO THE POINT OF BEGINNING.

TRACT NO. 2

BEGINNING AT A POINT ON THE LINE COMMON TO SAID SECTIONS 29 AND 30, WHICH POINT BEARS N00°00'38"E, 2805.94 FEET FROM THE CORNER COMMON TO SECTIONS 29, 30, 31 AND 32;
 THENCE N89°59'22"W, 33.00 FEET;
 THENCE N07°33'28"W, 888.33 FEET TO THE EXISTING SOUTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (EHRENBERG-PHOENIX HIGHWAY);
 THENCE S75°04'23"E, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 310.42 FEET;
 THENCE S08°19'27"W, 809.17 FEET;
 THENCE N89°59'22"W, 33.00 FEET TO THE POINT OF BEGINNING; AND

EXCEPT THEREFROM ANY PORTION LYING WITHIN THE FOLLOWING DESCRIBED PARCEL OF LAND:

BEGINNING AT THE NORTHEAST CORNER OF SECTION 30;
 THENCE WEST ALONG THE NORTH SECTION LINE 511 FEET;
 THENCE SOUTH 90 FEET;
 THENCE WEST 50 FEET;
 THENCE SOUTH 1098 FEET;
 THENCE EAST ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (EHRENBERG-PHOENIX HIGHWAY) TO A POINT COMMON TO SECTIONS 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST;
 THENCE NORTH ALONG THE EAST SECTION LINE TO THE POINT OF BEGINNING.

PARCEL 24

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA. DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SECTION 30;
 THENCE WEST ALONG THE NORTH SECTION LINE 511 FEET;
 THENCE SOUTH 90 FEET;
 THENCE WEST 50 FEET;
 THENCE SOUTH 1098 FEET;
 THENCE EAST ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE 10 (EHRENBERG-PHOENIX HIGHWAY) TO A POINT COMMON TO SECTIONS 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST;
 THENCE NORTH ALONG THE EAST SECTION LINE TO THE POINT OF BEGINNING,

EXCEPT THAT PORTION LYING WITHIN THE FOLLOWING DESCRIBED PARCEL OF LAND:

BEGINNING AT A POINT ON THE LINE COMMON TO SAID SECTIONS 29 AND 30, WHICH POINT BEARS S00°00'38"W, 476.85 FEET FROM THE CORNER COMMON TO SECTIONS 19, 20, 29 AND 30;
 THENCE N89°59'22"W, 33.00 FEET;
 THENCE S08°19'27"W, 809.17 FEET TO THE EXISTING NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (EHRENBERG-PHOENIX HIGHWAY);
 THENCE S75°04'23"E, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 310.42 FEET,
 THENCE N04°29'47"W, 381.77 FEET;
 THENCE N09°51'36"W, 507.51 FEET;
 THENCE N89°59'22"W, 33.00 FEET TO THE POINT OF BEGINNING.

PARCEL 25

THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THEREFROM THAT PORTION WHICH LIES WITHIN A STRIP OF LAND 308 FEET IN WIDTH, BEING 154 FEET WIDE ON EACH SIDE OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SECTION 30, WHICH POINT BEARS S00°00'05"W, 76.94 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 30;
 THENCE S75°07'10"E, 2990.74 FEET TO A BEARING EQUATION POINT, AT WHICH POINT S75°07'10"E = S75°04'23"E;
 THENCE S75°04'23"E, 2445.44 FEET TO A POINT ON THE LINE COMMON TO SAID SECTION 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST, WHICH POINT BEARS S00°00'38"W, 1476.85 FEET FROM THE SECTION CORNER COMMON TO SECTIONS 19, 20, 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST;

THENCE CONTINUING S75°04'23"E TO THE EAST LINE OF SAID WEST HALF OF THE NORTHWEST QUARTER OF SECTION 29.

PARCEL 26

THE SOUTH HALF AND THE NORTHWEST QUARTER OF SECTION 31 TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 27

THE NORTHEAST QUARTER OF SECTION 31, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 28

ALL OF SECTION 32, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA;

PARCEL 29

THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA.

TOWNSHIP 3 NORTH, RANGE 6 WEST, G&SRB&M, PINAL COUNTY, ARIZONA

PARCEL 1

THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL ARIZONA PROJECT CANAL.

PARCEL 2

THE SOUTH HALF OF THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 3

ALL OF SECTION 23, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL ARIZONA PROJECT CANAL.

PARCEL 4

ALL OF SECTION 24, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL ARIZONA PROJECT CANAL.

PARCEL 5

ALL OF SECTION 25, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 6

THE EAST HALF AND THE EAST HALF OF THE WEST HALF OF SECTION 26, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 7

THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 26, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

THE EAST HALF OF SECTION 27, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

ALL OF SECTION 34, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 10

ALL OF SECTION 35, TOWNSHIP 3 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA..

TOWNSHIP 1 NORTH, RANGE 5 WEST, G&SRB&M, PINAL COUNTY, ARIZONA

PARCEL 1

THE NORTHWEST QUARTER OF SECTION FIVE (5), TOWNSHIP ONE (1) NORTH, RANGE FIVE (5) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT THAT PORTION LYING WITHIN THE PHOENIX-EHRENBERG HIGHWAY (I-10) DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH QUARTER CORNER OF SECTION 5;
 THENCE SOUTH 00 DEGREES 08 MINUTES 55 SECONDS EAST 187.60 FEET (SOUTH 187.18 FEET RECORD) ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF SECTION 5 TO THE SOUTH RIGHT-OF-WAY OF SAID HIGHWAY;
 THENCE NORTH 75 DEGREES 01 MINUES 17 SECONDS WEST (NORTH 75 DEGREES 01 MINUTES 36 SECONDS WEST 725.36 FEET RECORD) ALONG SAID RIGHT-OF-WAY TO THE NORTH LINE OF SECTION 5;
 THENCE SOUTH 89 DEGREES 59 MINUTES 34 SECONDS EAST 700.57 FEET (EAST 700.80 FEET RECORD) TO THE POINT OF BEGINNING.

PARCEL 2

THE WEST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 1 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, AIRZONA.

PARCEL 3

THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 5, TOWNSHIP 1 NORTH, RANGE 5 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 4

THE WEST HALF OF THE NORTHEAST QUARTER AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION EIGHT (8), TOWNSHIP ONE (1) NORTH, RANGE FIVE (5) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 5

THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 1 NORTH, RANGE 5 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT THE SOUTH 701.62 FEET THEREOF.

PARCEL 6

THE SOUTH HALF OF THE NORTH HALF OF THE FOLLOWING DESCRIBED PARCEL:

THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER SECTION 8, TOWNSHIP 1 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 7

THE SOUTH HALF OF THE SOUTH HALF OF THE FOLLOWING DESCRIBED PARCEL:

THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8,
TOWNSHIP 1 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

THE NORTH HALF OF THE NORTH HALF OF THE FOLLOWING DESCRIBED PARCEL:

THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8,
TOWNSHIP 1 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

THE NORTH HALF OF THE SOUTH HALF OF THE FOLLOWING DESCRIBED PARCEL:

THE EAST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8,
TOWNSHIP 1 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 10

THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 1
NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA.

TOWNSHIP 2 NORTH, RANGE 5 WEST, G&SRB&M, PINAL COUNTY, ARIZONA

PARCEL 1

ALL OF SECTION 3, TOWNSHIP 2 NORTH, RANGE 5 WEST, OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 2

ALL OF SECTION 4, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 3

ALL OF SECTION 5, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT
RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 4

ALL OF SECTION 6, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 5

ALL OF SECTION 7, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 6

ALL OF SECTION 8, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 7

ALL OF SECTION 9, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

THE WEST HALF OF THE EAST HALF AND THE WEST HALF OF SECTION 10, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

ALL OF SECTION 18, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 10

THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, THE EAST HALF OF THE NORTHWEST QUARTER AND THE EAST HALF OF SECTION 19, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 11

THE WEST HALF, THE WEST HALF OF THE EAST HALF, THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER, THE SOUTH HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER AND THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXCEPT COMMENCING AT THE NORTHEAST CORNER OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 29; THENCE SOUTH

00 DEGREES 11 MINUTES 16 SECONDS WEST, ALONG THE EAST LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER, 1291.13 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 00 DEGREES 11 MINUTES 16 SECONDS WEST, 26.41 FEET; THENCE NORTH 89 DEGREES 25 MINUTES 24 SECONDS WEST, ALONG THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER, 808.80 FEET; THENCE NORTH 01 DEGREES 25 MINUTES 28 SECONDS WEST, 101.26 FEET; THENCE SOUTH 84 DEGREES 09 MINUTES 42 SECONDS EAST, 815.59 FEET TO THE POINT OF BEGINNING.

PARCEL 12

THE NORTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 13

THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, AND THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 14

THE EAST HALF OF THE EAST HALF OF SECTION 31, TOWNSHIP 2 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

TOWNSHIP 3 NORTH, RANGE 5 WEST, G&SRB&M, PINAL COUNTY, ARIZONA

PARCEL 1

ALL OF SECTION 17, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL ARIZONA PROJECT CANAL.

PARCEL 2

THE SOUTHEAST QUARTER, AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL ARIZONA PROJECT CANAL.

PARCEL 3

ALL OF SECTION 19, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA,

EXCEPT ANY PORTION THEREOF LYING WITHIN, OR NORTH OF, THE CENTRAL ARIZONA PROJECT CANAL.

PARCEL 4

ALL OF SECTION 20, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN. MARICOPA COUNTY, ARIZONA.

PARCEL 5

ALL OF SECTION 21 , TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 6

ALL OF SECTION 28, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 7

ALL OF SECTION 29, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 8

ALL OF SECTION 30, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 9

ALL OF SECTION 31, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.






PARCEL 10


ALL OF SECTION 33, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.


PARCEL 11


THE EAST HALF OF SECTION 34, TOWNSHIP 3 NORTH, RANGE 5 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

CONTAINING APPROXIMATELY 24,262 ACRES, MORE OR LESS. THIS AREA IS NOT BASED ON A FIELD SURVEY, BUT BASED ON CALCULATIONS DERIVED FROM SCANNED IMAGES OF 7.5 MINUTES SERIES NGS QUAD MAPS AND OTHER SCANNED MATERIALS WORKING WITHIN AN AUTOCAD DRAWING FILE.

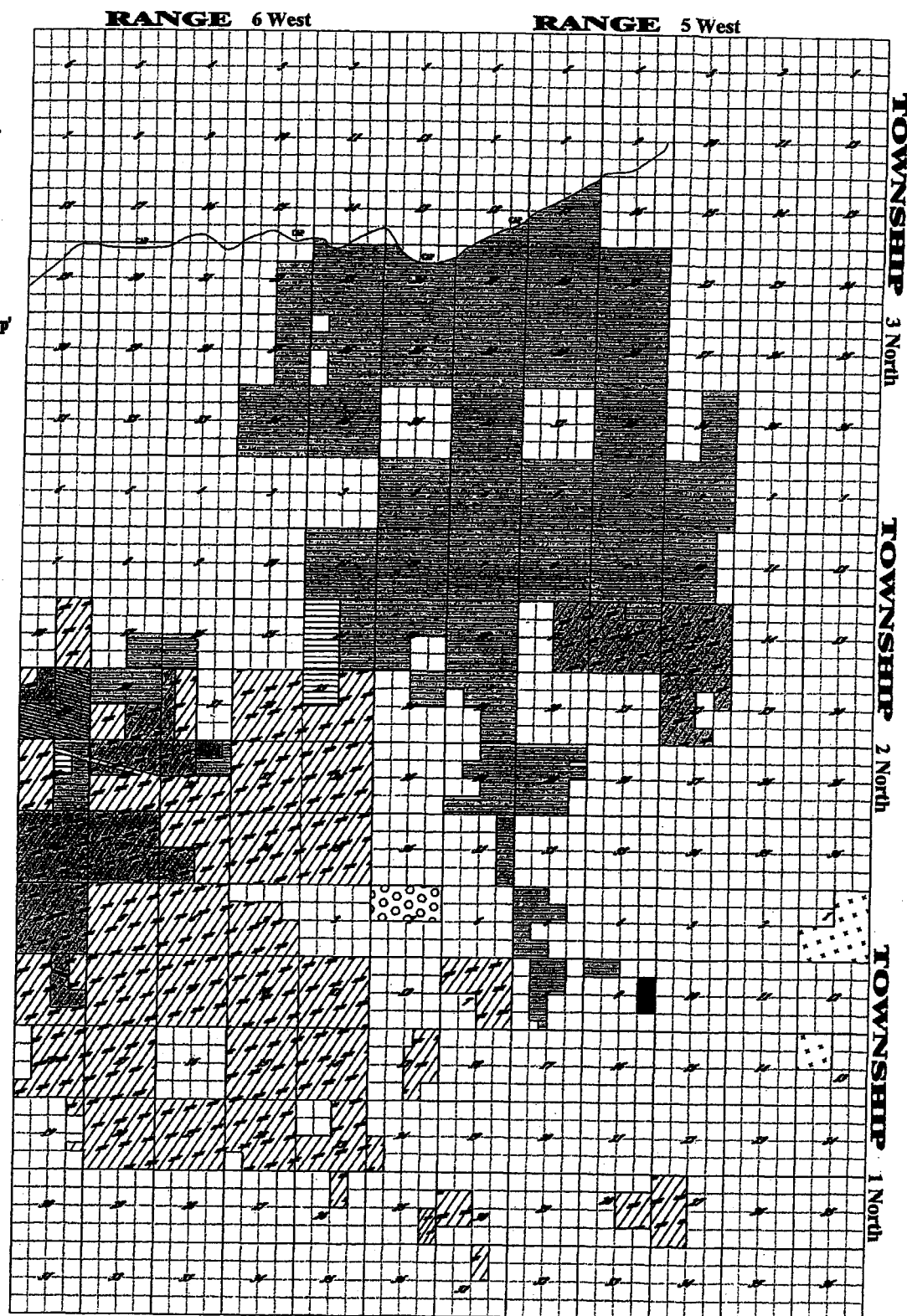
 W-2451
 Water Utility of Greater Buckeye, Inc.
 W-2450
 Water Utility of Greater Tonopah, Inc.
 SW-20403
 Bakerra Sewer Corporation
 SW-20422
 Hassayampa Utilities Company, Inc.

 Hassayampa Water Co-op
 Adjudicated 'Not a Public Service Corp'


 Water Utility of Greater Tonopah, Inc.
 Docket No. W-02450A-06-0253
 Application for Extension


 Water Utility of Greater Tonopah, Inc.
 Docket No. W-02450A-06-0626
 Application for Extension


 Hassayampa Utility Company, Inc.
 Docket No. SW-20422A-06-0566
 Application for Extension

**MARICOPA
COUNTY**



DECISION NO. _____